

FISCAL NOTE

HB 3742 - SB 3777

March 20, 2006

SUMMARY OF BILL: Revises the types of investments authorized for local governments.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – By eliminating certain investment vehicles from the list of authorized investments for local governments, the risk of the investment portfolios of such entities is reduced. Reduction of risk could result in preventing a loss of principal on investments. If a loss of principal on investments is prevented, a significant savings to local governments would occur.

Assumptions:

- Reduction of risk in local government investment portfolios could prevent a loss of principal on such investments.
- Over \$500,000,000 in local government investments statewide.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly distinguishable.

James W. White, Executive Director